

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6852

BILL NUMBER: SB 339

NOTE PREPARED: Dec 29, 2010

BILL AMENDED:

SUBJECT: Regional Development Authorities.

FIRST AUTHOR: Sen. Banks

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill provides that if a county or a municipality becomes a member of a regional development authority (other than the Northwest Indiana Regional Development Authority) after June 30, 2011, and before July 1, 2013, the amount of money that must be transferred annually by the county or municipality is equal to the amount that would be distributed to the county or the municipality from a County Economic Development Income Tax (CEDIT) rate of 0.025%.

Effective Date: July 1, 2011.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: *Summary* - This bill provides that counties or municipalities forming regional development authorities during FY 2012 and FY 2013 will receive transfers equal to the amount that would be distributed from a CEDIT rate of 0.025%. Current statute provides that members of regional development authorities will receive transfers equal to the amount that would be distributed from a CEDIT rate of 0.05%.

Background Information - Among its duties, a regional development authority may finance, improve, construct, reconstruct, renovate, purchase, lease acquire, and equip land and projects of regional importance.

The development authority may lease land or a project to an eligible political subdivision. Also, the development authority may finance and construct additional improvements, construct or reconstruct highways, roads, and bridges; acquire land from a political subdivision and lease back the land or project; acquire a project from a political subdivision to fund or refund indebtedness on the project; make loans, loan guarantees, and grants on behalf of commuter transportation districts, an airport authority, or a regional transportation authority. A regional development authority may provide funding to assist a railroad providing commuter services, an airport authority, intermodal transportation projects, regional trails and greenways projects, and economic development projects.

Currently, the Northwest Indiana Regional Development Authority is the only regional development authority in Indiana.

State Agencies Affected:

Local Agencies Affected: Counties and second class cities establishing regional development authorities.

Information Sources:

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